

Business Law Section of the State Bar of California

Nonprofits Committee E-Bulletin

Lani Meanley Collins

Chair Collins & Associates 213 W. Canon Perdido Santa Barbara, CA 93101 805-730-1333 FAX 805-730-1337

lani.collins@collins-assoc.com

Cherie L. Evans

Vice-Chair -- Legislation Evans & Rosen LLP 100 Pine Street, Suite 2450 San Francisco, CA 94111 ph 415.264.1800 fax 415.462.5408

cherie@evansrosen.com

Joel S. Corwin

Vice Chair - Policies Law Offices of Joel S. Corwin 11661 San Vicente Blvd., Suite 802 Los Angeles, CA 90049 866-207-0101

FAX 312-602-3822

Elizabeth S. Bluestein

Vice-Chair/Secretary Public Counsel Law Center 610 S Ardmore Ave Los Angeles, CA 90005 213-385-2977 FAX 213-385-9086

ebluestein@publiccounsel.org

Ronprofit Rews

Week of October 5, 2009

1. Grassley Amendments Not Added to Health Care Bill

Senator Grassley proposed two amendments that would have an effect on all exempt organizations (Grassley #F-7 and #F-8) as part of the health care reform legislation drafting in the Senate Finance Committee. As the legislation was passed out of committee this week, Sen. Grassley did not pursue votes on the two amendments. Nevertheless, he inserted comments on them into the record and reserves the right to propose the language later, either as part of the health-care bill or to another piece of legislation.

2. Attorney General Sues 8 Individuals and 6 "Official Agency Look-Alike" Businesses

As we have previously noted, nonprofits (and small businesses) often receive mailings from private companies giving notice of corporate or other administrative filing requirements. Although these are solicitations for business, they have a "government look" format, with an official looking seal, and "official" sounding names. On October 8, 2009, Attorney General Brown filed suit against eight individuals and six businesses that operated scams targeting small business owners. The lawsuits seek to recover more than \$3 million. The defendants mailed to small businesses solicitations that appeared to be government documents featuring an official-looking seal, an official-sounding name, citations to the Corporations Code and a "reply by" date. The forms claim that the business was in danger of losing its corporate or limited liability status if payment was not made within a short period of time.

Patrick Sternal
Communications Vice-Chair
Nonprofit Organizations Committee

For more information about the Nonprofit Committee, please see the committee's Web site: www.calbar.org/buslaw/nonprofits.

These periodic e-mails are being sent to you because you expressed interest in receiving news and information from the Nonprofit Committee of the State Bar of California's Business Law Section. If you no longer wish to receive these communications or you have a new e-mail address -- or if you have a friend or colleague who would like to add his or her e-mail address to our distributions list, please contact Susan Orloff, Section Coordinator of the Business Law Section.